
**Testimony of Paula Plant
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**House Committee on Resources
Subcommittee on National Parks, Recreation and Public Lands**

**Hearing on H.R. 4968
Federal - Utah State Trust Lands Consolidation Act of 2002
June 27, 2002**

Mr. Chairman, and distinguished committee members, thank you for the invitation to testify this afternoon in support of HR 4968 Federal – Utah State Trust Lands Consolidation Act of 2002. I am here to strongly urge your support for the land exchange that has been signed by Governor Leavitt, the Secretary of Interior and Secretary of Agriculture.

At statehood, the state of Utah and the federal government entered into a bilateral compact that established a trust for the public schools of Utah. In the Utah Enabling Act, the federal government granted four sections in each township to support the common schools. In the Utah Constitution the state agreed to the terms of the compact including a provision that the state would not tax the federal lands in the new state in return for the land grant to schools. School trust lands are an important component in the present and future funding of education in the state.

Both federal and state law require that the lands be managed to generate income for the schools. Revenue from trust lands - whether from grazing, forestry, surface leasing or mineral development - is placed in the State School Fund, a permanent income-producing endowment for public schools. The fund is invested and the annual interest and dividends are distributed to each school through the School LAND Trust Program.

The state is heavily impacted by federal ownership. Two thirds of the land in the state cannot be taxed for education. In addition many of the school trust lands that were granted to provide revenue for schools are sprinkled across various federal designations that are not managed to be revenue producing. Because the school lands are inside land managed for purposes such as wilderness and habitat conservation, they have not been revenue producing and for the most part, schools have not been compensated. The schools of Utah have consistently been funded at the lowest per pupil expenditure in the nation while the state commits a greater percentage of the annual budget to education. Adding to the grim picture, current budget deficits in Utah are requiring that schools reduce expenditures across the state, programs and personnel are being eliminated. The schools of Utah cannot continue to tolerate uncompensated use of the school lands in the face of such desperately needed revenues.

The education community of Utah is pleased that steps have been enacted in recent years to correct the errors of the past and to actively seek resolution to the conflict in land management missions. I wish to thank all who made two prior Utah land exchanges a reality. Sincere thanks goes to Governor Leavitt, the School and Institutional Trust Lands Administration, former Secretary Babbitt, Congressmen Hansen and

Cannon, Senators Bennett and Hatch as well as members of this committee and their staffs. We recognize exchanges of this magnitude require significant dedication of time and resources as well as tenacity and patience. We are appreciative of those efforts. The Utah Schools and Land Exchange of 1998 and the Utah Schools and Utah West Desert Land Exchange Act of 2000 have resolved some large prior management conflicts. Utah schools are beginning to receive revenues from acquired lands, the American public is able to enjoy beautiful scenic and recreational areas of Utah, and lands that have been identified for their significant environmental and scientific value have been preserved.

The proposed land exchange before you today will resolve another piece of the land use conflict in the state. The education groups of Utah including the Utah State Board of Education, the State Superintendent, Utah PTA, the Utah Education Association, the Utah School Boards Association and the Utah School Superintendents' Association strongly urge your support of H.R. 4968. The education organizations of Utah support exchanges for the school children that accomplish the purposes explained here.

1. The exchange is positive for the environment. Over 112,000 acres of trust lands will be conveyed to the American public. These lands are in areas that have been identified by the BLM and the environmental community as having significant natural, scenic, recreational, and scientific values. The San Rafael Swell is one of America's scenic treasures. In the absence of an exchange, trust lands in this area will be used for mineral development or will be sold for purposes such as cabin sites. The Red Cliffs Desert Reserve in Washington County, in addition to its status as critical habitat for the desert tortoise and other species, is an exceptional public recreation area in one of the most rapidly growing urban areas in the county.
2. The exchange will greatly simplify land management. While the school trust lands to be exchanged have both surface and mineral value, the lands cannot be managed to produce significant income without major disruption of the wilderness or scenic characteristics of surrounding areas. In the past, management conflicts of this type between the State and the United States have led to lengthy and expensive litigation. Elimination of scattered school trust sections throughout these areas will permit unified federal management of the lands. On the other side of the exchange, the school trust will also receive consolidated tracts that can be managed far more efficiently and productively than the scattered lands being given up.
3. The exchange will benefit school revenues and local economies. The federal lands being acquired by Utah's school trust have been carefully chosen for their potential to permit economic development at the local level, as well as providing revenue to the permanent State School Fund while avoiding acquisitions in areas of critical environmental concern. We support the opportunity for increased development with the associated increase of jobs, property taxes that support local schools and income taxes that support education through the state budget.

We understand that there are those who may question the values attributed to various lands in the exchange. We believe the exchange is fair, and have watched closely as tracts have been added and dropped from the proposal to address the concerns of various affected parties, with values then carefully brought back into balance. A nationally - recognized independent real estate consulting firm was engaged by the parties to evaluate the methodologies used in valuing the lands and minerals involved in the exchange and the parties' conclusions that the lands on both sides of the exchange are of approximately equal value. The independent consultants have concluded that the parties' processes for determining value and their

conclusions that the exchange was on an equal value basis are reasonable and supportable.

For those who continue to question, we ask that they remember that the majority of trust lands being proposed for trade have been captured within federal Wilderness Study Areas for two decades. In the case of the Red Cliffs Desert Reserve lands, highly valuable development lands in one of the most rapidly growing urban areas in the nation have been effectively taken through federal designation of critical habitat for the desert tortoise, depriving the school trust of millions in real estate development revenue. Utah has taken the high road, and chosen not to litigate over these takings, nor has it chosen to sell the lands or take other action that would significantly diminish the conservation values of the surrounding federal lands. The federal government's creation of these designations has denied Utah's schoolchildren the use of lands granted by Congress for the express purpose of generating revenue for their education, not to mention the interest on lost revenues that would have compounded on those revenues over time.

We request that the subcommittee recognize H.R. 4968 as another important step in resolving the conflict between conservation and education in the state of Utah, and urge your support of the bill.

Thank you for the opportunity of testifying in the committee today.

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